

Journal.)

PRESIDENT MOUL: Senator Hartnett.

SENATOR HARTNETT: Madam Chairman and members of the body, LB 840 is enabling legislation for the constitutional amendment number three which was approved by the voters last November in 1990. This issue has been around quite a few years. We tried to introduce a constitutional amendment a couple of years ago. It was defeated on Final Reading. But this, I think, is the enabling legislation that will authorize to put in what the voters approved with amendment three. And, basically, what amendment three is it says that cities can use tax, general tax funds, from sales and property tax, for economic development. And what I'd like to do before I go into the committee amendments, I would simply like to run through, I passed out a flow chart for you, I would like to simply go through that flow chart and then, simply, I think that simply tells what the bill does, and I think it would be better to start at that particular point. What it starts with is that the city council or village board develops an economic development plan first. Then they adopt a resolution that involves...embodies the plan. Then the city council or board calls for an election, an election that will take place not sooner than 41 days after it is called. Then there has to be a public hearing on this economic development plan, and that can't be any later than 15 days prior to the election. Then there is a public election on the economic development programs, and so the people of the city have a chance...they can either reject the economic development plan or they can approve it. If they approve it, then the council or board adopts the economic development plan that is set out in the original resolution and so that there has to be very clearly set out what the resolution is to do. There can't be very many changes in the resolution. But at this point, and any point in the future, the city council or board by two-thirds vote may reject the ordinance and end the program. Also to protect the citizens of each one of the communities, the council or board appoints a citizen advisory committee to review, a review committee to simply see that what the city council and the board have set out will be carried out. Then there is the creation of a special city economic development fund, and that is from sales tax or from property tax. Then begin the collection of tax revenue, every four months, anywhere from four months to one year after election. Then there is the initial operation of the program; there might need to be to hire additional city staff,